

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

THE ART INSTITUTE OF PHILADELPHIA LLC, *et al.*,¹

Debtors.

GEORGE L. MILLER, Chapter 7 Trustee,

Plaintiff,

vs.

TODD S. NELSON, JOHN R. MCKERNAN, SAMUEL C. COWLEY,
EDWARD WEST MARK A. MCEACHEN, FRANK JALUFKA, J.
DEVITT KRAMER, MARK NOVAD, JOHN DANIELSON, AND
MICK BEEKHUIZEN,

Defendants.

Chapter 7

Case No. 18-11535 (LSS)
(Jointly Administered)**JURY TRIAL DEMANDED**Adversary Proceeding
Case No. 20-50627 (LSS)

SUMMONS AND NOTICE OF PRETRIAL CONFERENCE IN AN ADVERSARY PROCEEDING

YOU ARE SUMMONED and required to file a motion or answer to the complaint which is attached to this summons with the clerk of the bankruptcy court within 30 days after the date of issuance of this summons, except that the United States and its offices and agencies shall file a motion or answer to the complaint within 35 days.

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|-------------------|--|
| Address of Clerk: | United States Bankruptcy Court 824 North Market Street, 3rd Floor Wilmington, DE 19801 |
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At the same time, you must also serve a copy of the motion or answer upon the Plaintiff's attorney. Name and address of Plaintiff's attorneys:

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| <p>PACHULSKI STANG ZIEHL & JONES LLP Bradford J. Sandler Colin R. Robinson 919 North Market Street, 17th Floor Wilmington, DE 19899-8705 (Courier 19801) Telephone: (302) 652-4100</p> | <p>KAUFMAN, COREN & RESS, P.C. Steven M. Coren Benjamin M. Mather Francis X. Lane Two Commerce Square, Suite 3900 2001 Market Street Philadelphia, PA 19103 Telephone: (212) 735-8700</p> |
|--|---|

If you make a motion, your time to answer is governed by Fed. R. Bankr. P. 7012.

¹ The last four digits of the Debtors' taxpayer identification numbers are as follows: American Education Centers, Inc. (6160); Argosy Education Group, Inc. (5674); Argosy University of California LLC (1273); Brown Mackie College - Tucson, Inc. (4601); Education Finance III LLC (2533); Education Management LLC (6022); Education Management II LLC (2661); Education Management Corporation (9571); Education Management Holdings II LLC (2529); Higher Education Services II LLC (3436); Miami International University of Art & Design, Inc. (1065); South Education - Texas LLC (2573); South University of Florida, Inc. (9226); South University of Michigan, LLC (6655); South University of North Carolina LLC (9113); South University of Ohio LLC (9944); South University of Virginia, Inc. (9263); South University, LLC (7090); Stautzenberger College Education Corporation (4675); TAIC-San Diego, Inc. (1894); TAIC-San Francisco, Inc. (9487); The Art Institutes International Minnesota, Inc. (6999); The Art Institute of Atlanta, LLC (1597); The Art Institute of Austin, Inc. (3626); The Art Institute of California-Hollywood, Inc. (3289); The Art Institute of California-Inland Empire, Inc. (6775); The Art Institute of California - Los Angeles, Inc. (4215); The Art Institute of California-Orange County, Inc. (6608); The Art Institute of California-Sacramento, Inc. (6212); The Art Institute of Charleston, Inc. (6048); The Art Institute of Charlotte, LLC (4912); The Art Institute of Colorado, Inc. (3062); The Art Institute of Dallas, Inc. (9012); The Art Institute of Fort Lauderdale, Inc. (0255); The Art Institute of Houston, Inc. (9015); The Art Institute of Indianapolis, LLC (6913); The Art Institute of Las Vegas, Inc. (6362); The Art Institute of Michigan, Inc. (8614); The Art Institute of Philadelphia LLC (7396); The Art Institute of Pittsburgh LLC (7441); The Art Institute of Portland, Inc. (2215); The Art Institute of Raleigh-Durham, Inc. (8031); The Art Institute of St. Louis, Inc. (9555); The Art Institute of San Antonio, Inc. (4394); The Art Institute of Seattle, Inc. (9614); The Art Institute of Tampa, Inc. (6822); The Art Institute of Tennessee-Nashville, Inc. (5359); The Art Institute of Virginia Beach LLC (2784); The Art Institute of Washington, Inc. (7043); The Art Institutes International II LLC (9270); The Illinois Institute of Art at Schaumburg, Inc. (3502); The Illinois Institute of Art, Inc. (3500); The Institute of Post-Secondary Education, Inc. (0283); The New England Institute of Art, LLC (7798); The University of Sarasota, Inc. (5558); Western State University of Southern California (3875).

YOU ARE NOTIFIED that a pretrial conference of the proceeding commenced by the filing of the complaint will be held at the following time and place.

| | |
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| Address: United States Bankruptcy Court 824 N. Market Street, 6th Floor Wilmington, DE 19801 | Courtroom No. 2 Date and Time: TO BE DETERMINED |
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IF YOU FAIL TO RESPOND TO THIS SUMMONS, YOUR FAILURE WILL BE DEEMED TO BE YOUR CONSENT TO ENTRY OF A JUDGMENT BY THE BANKRUPTCY COURT AND JUDGMENT BY DEFAULT MAY BE TAKEN AGAINST YOU FOR THE RELIEF DEMANDED IN THE COMPLAINT.

**United States Bankruptcy
Court for the District of Delaware**



Date: June 17, 2020

/s/ Una O'Boyle
Clerk of the Bankruptcy Court

CERTIFICATE OF SERVICE

I, Colin R. Robinson, certify that I am, and at all times during the service of process was, not less than 18 years of age and not a party to the matter concerning which service of process was made. I further certify that the service of this summons and a copy of the complaint were made June 17, 2020 by:

☒ Mail Service: Regular, first class United States mail, postage fully pre-paid, addressed to:

SEE ATTACHED SERVICE LIST

☐ Personal Service: By leaving the process with defendant or with an officer or agent of defendant at:

☐ Residence Service: By leaving the process with the following adult at:

☐ Certified Mail Service on an Insured Depository Institution: By sending the process by certified mail addressed to the following officer of the defendant at:

☐ Publication: The defendant was served as follows: [Describe briefly]

☐ State Law: The defendant was served pursuant to the laws of the State of _____,
as follows: [Describe briefly] (name of state)

Under penalty of perjury, I declare that the foregoing is true and correct.

Dated: June 17, 2020

/s/ Colin R. Robinson

Colin R. Robinson (DE Bar No. 5524)
PACHULSKI STANG ZIEHL & JONES LLP
919 North Market Street, 17th Floor
P O Box 8705
Wilmington, DE 19899-8705 (Courier 19801)

Adv. Service List
10-First Class Mail
Doc 229175

Todd S. Nelson
3250 E. Tere St
Phoenix, AZ 85044

John R. McKernan, Jr.
337 Foreside Rd
Falmouth, ME 04105

Samuel C. Cowley
2136 E. Goldenrod St
Phoenix, AZ 85048

Edward West
246 Pink House Rd
Sewickley Heights, PA 15143

Mark A. McEachen
6 Marquette Way
Trabuco Canyon, CA 92679

Frank Jalufka
22112 Verbana Parkway
Spicewood, TX 78669-6305

J. Devitt Kramer
151 Laurel Oak Drive
Sewickley, PA 15143

Mark Novad
208 White Oak Drive
Slippery Rock, PA 16057

John M. Danielson
4033 Mansion Dr NW
Washington, DC 20007

Mick Beekhuizen
777 Avenue of the Americas, Apt. 25C
New York, NY 10001

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NOTICE OF DISPUTE RESOLUTION ALTERNATIVES

As party to litigation you have a right to adjudication of your matter by a judge of this Court. Settlement of your case, however, can often produce a resolution more quickly than appearing before a judge. Additionally, settlement can also reduce the expense, inconvenience, and uncertainty of litigation.

There are dispute resolution structures, other than litigation, that can lead to resolving your case. Alternative Dispute Resolution (ADR) is offered through a program established by this Court. The use of these services are often productive and effective in settling disputes. **The purpose of this Notice is to furnish general information about ADR.**

The ADR structures used most often are mediation, early-neutral evaluation, mediation/arbitration and arbitration. In each, the process is presided over by an impartial third party, called the “neutral”.

In mediation and early neutral evaluation, an experienced neutral has no power to impose a settlement on you. It fosters an environment where offers can be discussed and exchanged. In the process, together, you and your attorney will be involved in weighing settlement proposals and crafting a settlement. The Court in its Local Rules requires all ADR processes, except threat of a potential criminal action, to be confidential. You will not be prejudiced in the event a settlement is not achieved because the presiding judge will not be advised of the content of any of your settlement discussions.

Mediation/arbitration is a process where you submit to mediation and, if it is unsuccessful, agree that the mediator will act as an arbitrator. At that point, the process is the same as arbitration. You, through your counsel, will present

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evidence to a neutral, who issues a decision. If the matter in controversy arises in the main bankruptcy case or arises from a subsidiary issue in an adversary proceeding, the arbitration, though voluntary, may be binding. If a party requests *de novo* review of an arbitration award, the judge will rehear the case.

Your attorney can provide you with additional information about ADR and advise you as to whether and when ADR might be helpful in your case.

Dated: June 17, 2020

/s/ Una O'Boyle
Clerk of the Court